LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER T-36015

MW ENVIRONMENTAL, LLC, EX PARTE

Docket No. T-36015, In re: Application for a common carrier certificate of non-hazardous oilfield waste, non-hazardous industrial solid waste and hazardous waste for disposal, statewide.

(Decided September 27, 2021)

ORDER

Overview

MW Environmental, LLC ("MW Environmental," "Company," or "Applicant") seeks from the Louisiana Public Service Commission ("LPSC" or "Commission") a common carrier certificate to allow for the transportation of non-hazardous oilfield waste, non-hazardous industrial solid waste and hazardous waste for disposal, statewide. MW Environmental is a Texas company with its headquarters in Joaquin, Texas. MW Environmental currently possesses Commission authority to transport saltwater utilized in oil well exploration or production, for disposal.

Background

On June 15, 2021, MW Environmental filed an application ("Application") seeking authorization from the Commission to operate as a common carrier certificate to allow for the transportation of non-hazardous oilfield waste, non-hazardous industrial solid waste and hazardous waste for disposal, statewide. Notice of the Application was published in the Commission's Official Bulletin on June 25, 2021. No interventions were filed during the intervention period or at any point thereafter.

At the initial status conference on July 22, 2021, representatives of the Applicant and the Commission Staff agreed to a procedural schedule with a hearing on September 27, 2021,¹ during which the Applicant would have the burden of proving fitness under the Commission's General Order dated January 23, 2018.

On September 20, 2021 the Commission Staff and the Applicant each filed their Pre-Hearing Statements. In its Pre-Hearing Statement, the Commission Staff advised that it supports MW Environmental, LLC's application. Due to the support of the Commission Staff and the lack of any intervenors, the Application is considered unopposed.

¹ On September 6, 2021, Governor John Bel Edwards issued Proclamation Number 170 JBE 2021, which suspended all legal deadlines from August 26, 2021 until September 24, 2021. The procedural schedule in the instant proceeding was affected. On September 10, 2021, MW Environmental filed a letter into the record affirming that it wishes to proceed with the established procedural schedule. The letter further states that the Commission Staff consented to MW Environmental's request.

Jurisdiction and Applicable Law

The Commission derives its jurisdiction over common carriers and public utilities from the Louisiana Constitution of 1974. Article IV, Section 21(B) of the Constitution provides, in pertinent part, that:

[t]he [C]ommission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

In addition, La. R.S. 45:163 provides that "[t]he [C]ommission has the power and authority

necessary to supervise, govern, regulate, and control motor carriers...which transport household

goods, passengers, or waste intrastate and to fix reasonable and just rates, fares, tolls, or charges

for the commodities furnished or services rendered by such motor carriers." La. R.S. 45:164 states

that "[n]o motor carrier of waste shall operate without first having obtained from the [C]ommission

a common carrier certificate or contract carrier permit." La. R.S. 45:164(B) provides that an

applicant for a common carrier certificate, contract carrier permit, or expansion of authority

granted in an existing certificate must prove fitness by proving all of the following:

- (1) The applicant holds, or is capable of acquiring, an insurance policy that complies with [C]ommission rules.
- (2) The applicant has the financial ability to provide the transportation of waste for disposal in a safe and efficient manner.
- (3) The applicant holds, or is capable of acquiring all the necessary authorizations required by any and all regulatory authorities for the transportation of waste for disposal.
- (4) The applicant holds, or is capable or [sic] acquiring for use, equipment and man power to provide transportation services in a safe and efficient manner.
- (5) The applicant has in place, or is capable of establishing, a safety program necessary for the safe and efficient transportation of waste for disposal.

The Commission's General Order dated January 23, 2018 incorporated the above

requirements into Rule 33 of the Commission's Rules of Practice and Procedure, which now reads

(in pertinent part) as follows:

- A. An applicant applying for a common carrier certificate, contract carrier permit, or expansion of authority granted in an existing certificate or permit authorizing the transportation of non-hazardous oilfield waste, hazardous waste or non-hazardous industrial solid waste shall prove fitness...in a hearing before an administrative law judge or hearing officer by proving that the applicant:
 - 1. holds, or is capable of acquiring, an insurance policy providing coverage of two hundred fifty thousand dollars for

injury or death per person or five hundred thousand dollars per occurrence, and ten thousand dollars property damage,

- 2. has the financial ability to provide the transportation of waste for disposal in a safe and efficient manner,
- 3. holds, or is capable of acquiring, all of the necessary authorizations required by any and all regulatory authorities for the transportation of waste for disposal[,]
- 4. holds, or is capable of acquiring for use, equipment and man power to provide transportation services in a safe and efficient manner, and
- 5. has in place, or is capable of establishing, a safety program necessary for the safe and efficient transportation of waste for disposal.
- D. The provisions of this rule are applicable to all applications for common carrier certificates and contract carrier permits of waste and all applications for expansion of existing waste authority, including those applications which are presently pending before the Commission but have not yet gone to hearing on the merits.
- E. All restrictions on existing certificates or permits are valid until expansion of authority is applied for and a new certificate or permit is granted. However, any restrictive language in any existing common carrier certificate or any contract carrier permit of waste that prevents the carrier from applying for expanded authority for any period of time is null and void...
- F. Certificates or permits issued after the adoption of this rule shall not contain restrictions.

The Hearing

A hearing on the Application was convened on September 27, 2021. At the hearing, appearances were made by MW Environmental and the Commission Staff. At the time of the hearing, the Application was unopposed.

The Applicant's Request for Authority

MW Environmental currently possesses Common Carrier Certificate No. 8362, which authorizes the transportation of saltwater utilized in oil well exploration or production for disposal, statewide. The Company is seeking authority to transport non-hazardous oilfield waste, nonhazardous industrial solid waste, and hazardous waste for disposal, statewide.

Testimony and Evidence Presented by the Applicant

In support of its Application, MW Environmental presented the testimony of Jana Kent.

Testimony of Jana Kent

Ms. Kent is the sole member and 100% owner of MW Environmental, and she oversees all policies and procedures of the Company. Ms. Kent testified that she has worked in the waste hauling and trucking industry in varying capacities since 2004, and has part-owned other waste

hauling companies; she presently has no ownership interest in any company which engages in Commission-regulated work. According to Ms. Kent, MW Environmental is an oilfield company which transports and disposes of saltwater and frac sand, and has operations in Texas and Louisiana. MW Environmental is a Texas company based in Joaquin, Texas and leases one terminal in Mansfield, Louisiana.

Ms. Kent testified that MW Environmental has insurance coverage that meets all of the Commission's requirements, and which covers all of the Company's equipment and drivers. According to Ms. Kent, MW Environmental is a financially viable company, and has never had to file for bankruptcy. Ms. Kent testified that MW Environmental received a startup funding from S & J Kent Investments, LLC ("S & J Kent"), a company which she partially owns; she clarified that the MW Environmental will not need to refund this money if doing so is detrimental to the financial operations of the Company. Ms. Kent further testified that she, as one of the owners of S & J Kent and the owner of MW Environmental, is willing to inject capital into the Company if necessary.

According to Ms. Kent, MW Environmental is in good standing with the Louisiana Secretary of State. Ms. Kent testified that MW Environmental holds or is capable of acquiring all of the necessary authorizations required by any and all regulatory authorities for the authority it is seeking. Ms. Kent further affirmed, via affidavit, that MW Environmental will abide by all Commission rules and regulations.

Ms. Kent testified that MW Environmental has approximately ten employees, eight of whom are drivers; the Company does not plan to lease owner-operators. According to Ms. Kent, MW Environmental has eight trucks and ten trailers available for Commission-regulated work, and the Company can acquire more equipment as necessary. Ms. Kent also explained MW Environmental's maintenance programs and policies.

Ms. Kent believes that MW Environmental is capable of transporting waste in a safe and efficient manner. Ms. Kent identified MW Environmental's safety manual, and provided an overview of the Company safety and training programs. According to Ms. Kent, MW Environmental has a "zero tolerance" policy towards drugs and alcohol; the Company conducts new hire, after accident, reasonable suspicion, and random tests for drugs and alcohol. Ms. Kent testified that MW Environmental also has a "zero tolerance" policy towards cellphones.

In support of the testimony of Ms. Kent, the Applicant submitted the following exhibits into evidence at the hearing:

Exhibit A, <i>in globo</i>	A copy of MW Environmental, LLC's Waste by Motor Vehicle Application, as received by the Commission's Transportation Division on June 15, 2021, with attachments;
Exhibit B	A copy of an equipment list for MW Environmental, LLC;
Exhibit C	A copy of the Vehicle Fleet Maintenance Plan for MW Environmental, LLC;
Exhibit D, <i>in globo</i>	 Copies of the following documents (admitted confidentially under seal): MW Environmental, LLC's Balance Sheet Summary as of May 19, 2021; and MW Environmental, LLC's Profit and Loss Statement from January 1, 2021 to May 19, 2021;
Exhibit E, <i>in globo</i>	 Copies of the following documents (admitted confidentially under seal): S & J Kent Investments, LLC's Balance Sheet as of December 31, 2020; S & J Kent Investments, LLC's Statement of Income for the twelve month period ended December 31, 2020; S & J Kent Investments, LLC's Balance Sheet as of December 31, 2019; and S & J Kent Investments, LLC's Statement of Income for the twelve month period ended December 31, 2019; and
Exhibit F	A copy of a printout dated September 23, 2021, from the Louisiana Secretary of State Corporations Database, for MW Environmental, LLC;
Exhibit G, <i>in globo</i>	 Copies of the following documents: A copy of the table of contents of the safety manual for MW Environmental, LLC; and A copy of the safety manual for MW Environmental, LLC (admitted electronically on CD-ROM);
Exhibit H	A copy of the Drug and Alcohol Policy and Procedure for MW Environmental, LLC;
Exhibit I	A copy of the Vacuum Truck Loading & Unloading Procedure for MW Environmental, LLC;
Exhibit J	A copy of the Driver Fatigue Policy for MW Environmental, LLC;
Exhibit K	A copy of the Cell Phone Use Policy for MW Environmental, LLC; and
Exhibit L	An Affidavit executed by Jana Kent, dated September 20, 2021.

Commission Staff's Position

The Commission Staff expressed its support for the Application, both in its Pre-Hearing Statement and verbally at the September 27, 2021 hearing. The Commission Staff confirmed, both in its Pre-Hearing Statement and verbally at the hearing, that there are no complaints, citations, or

violations pending against MW Environmental and that MW Environmental has no current annual report due or outstanding ISF reports or fees.

Conclusion

Having considered the application of MW Environmental, LLC, the testimony and evidence presented in support of the Application, the directives of the Commission's General Order dated January 23, 2018, Rule 33 of the Commission's Rules of Practice and Procedure, and other applicable law, we find that MW Environmental, LLC has established its fitness to operate, and that a common carrier certificate should be issued to the Applicant.

Accordingly, **IT IS HEREBY ORDERED** that MW Environmental, LLC be issued a common carrier certificate, authorizing operations in Louisiana intrastate commerce as a common carrier of non-hazardous oilfield waste, non-hazardous industrial solid waste and hazardous waste for disposal, statewide.

IT IS FURTHER ORDERED that the issuance of the common carrier certificate is conditioned upon the full compliance of MW Environmental, LLC with the laws of the State of Louisiana and the rules and regulations of the Louisiana Public Service Commission.

BY ORDER OF THE COMMISSION BATON ROUGE, LOUISIANA September 28, 2021



BRANDON M. FREY SECRETARY

/S/ CRAIG GREENE DISTRICT II CHAIRMAN CRAIG GREENE

/S/ ERIC F. SKRMETTA DISTRICT I VICE CHAIRMAN ERIC F. SKRMETTA

/S/ FOSTER L. CAMPBELL DISTRICT V COMMISSIONER FOSTER L. CAMPBELL

/S/ LAMBERT C. BOISSIERE, III DISTRICT III COMMISSIONER LAMBERT C. BOISSIERE, III

/S/ MIKE FRANCIS DISTRICT IV COMMISSIONER MIKE FRANCIS